



24<sup>th</sup> August 2018

### **Pantheon Resources plc Corporate update**

Pantheon Resources plc (“Pantheon” or “the Company”), the AIM-quoted oil and gas exploration company with a 50% - 75% working interest in several conventional project areas in Tyler and Polk Counties, onshore East Texas provides the following update:

#### **Appointment of expert technical consultant**

Pantheon is delighted to announce the appointment of Professor Dr. Eric van Oort as a technical consultant to the company. Prof. Dr. van Oort is the B.J. Lancaster Professor of Petroleum & Geosystems Engineering at the University of Texas in Austin. In addition to being a respected academic authority in the Oil & Gas sector, Eric has extensive experience in drilling and completion technology, having worked in a variety of senior roles for Royal Dutch Shell over a period of 20 years, culminating in his appointment as Wells Technology & Performance Improvement Manager for Shell ‘s US operations from 2006 – 2012. Chief amongst Prof. Dr. Van Oort’s many areas of recognised expertise is his work (both published and in the field) on well construction and well performance optimisation which, together with his expertise in well bore geomechanics, position him perfectly to advise on future drilling operations.

Prof. Dr. van Oort was appointed following a series of technical discussions covering both geology and the operational performance to date. Prof. Dr. van Oort is considered to be a leading expert in certain drilling disciplines directly relevant to our asset base. Pantheon has repeatedly stated its belief in the geological potential of our acreage, with the issues experienced to date largely operational. This appointment should help address the operational challenges that have occurred during the drilling of our previous wells. The Board believes that the appointment of Prof. Dr. van Oort will further bolster the technical resources within our company. We believe the combined expertise of Sierra Hamilton technical consultants, Prof. Dr. van Oort and Art Berman will serve to advance the project, and the interests of all shareholders, as we move forward.

#### **Tyler County Gas Processing**

We are pleased to report that the advance work to begin clearing trees from the right of way of the pipeline in Tyler County began on 21 August 2018. Guidance on timing for completion of the gathering line connecting VOS#1 to the nearby Enterprise pipeline has not changed with first production targeted for mid October 2018.

#### **Update on Vision**

We can confirm that negotiations with the Estate of Bobby Gray, following his passing in June 2018, are at an advanced stage as Pantheon seeks to increase its working interest in the project to 100% and thereby assume full control and operatorship of the asset. The intended terms of any such agreement with the Estate are expected to be largely as outlined in our RNS dated 7 August 2018. Pantheon is

seeking to formalise an agreement with Mr. Gray's family in a sensitive and fair manner and will of course update shareholders as and when these negotiations conclude.

In parallel with the negotiations with the Estate, the Company is in discussions with a view to concluding a farm-out of the Company's Polk and Tyler County assets. Technical due diligence is presently under way with one party having progressed to a discussion of commercial considerations. As previously reported, the objective is for the farm-in partner to provide funding (and possibly operatorship if appropriate) for drilling operations in exchange for a working interest in the project. The Board will notify shareholders as appropriate as these negotiations move towards a conclusion.

**Chief Executive Officer Jay Cheatham, said the following:**

*"I am truly delighted Pantheon has attracted an industry expert of the calibre of Professor Dr. Eric van Oort. In securing his services as a consultant to the company, I have no doubt he will bring his widely recognised expertise to bear as our project in east Texas advances. Preliminary work has already begun in Tyler County to clear the trees along the right of way in preparation for the installation of the gathering line connecting VOS#1 to the Enterprise pipeline. Anticipated cash flow from gas sales from VOS#1 alone should more than cover Pantheon's annual overheads.*

*"Pantheon is negotiating with a number of different parties to secure the future success of our project in East Texas and to unlock the potential value of our asset for all shareholders. Whilst I cannot guarantee the successful conclusion of these negotiations, we have made significant progress since we last updated the market on 7 August 2018 and I look forward to providing a further update to fellow shareholders as soon as possible."*

-Ends -

**Further information:**

**Pantheon Resources plc**

+44 20 7484 5361

Jay Cheatham, CEO

Justin Hondris, Director, Finance and Corporate Development

**Stifel Nicolaus Europe Limited** (Nominated Adviser and broker)

+44 20 7710 7600

Callum Stewart

Ashton Clanfield

Nicholas Rhodes

**FTI Consulting**

+44 20 3727 1000

Ben Brewerton

For further information on Pantheon Resources plc, see the website at: [www.pantheonresources.com](http://www.pantheonresources.com)

The information contained within this RNS is considered to be inside information prior to its release.

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.